NATIONAL ASSOCIATION OF INVESTORS CORPORATION
NAIC
INVESTMENT EDUCATION
FOR INDIVIDUALS AND CLUBS
SINCE 1951

Stock Selection Guide ®

The most widely used aid to
good investment judgment

Company	**AFFILIATED COMPUTER SVCS.** Date **12/22/03**
Prepared by	**MG** Data taken from **M**
Where traded	**NYSE** Major product/service **Computer Se**

CAPITALIZATION --- Outstanding Amounts   Reference _____

			% Insiders	% Institution
Preferred($M)		0.0		
Common(M Shares)		133.2	47.8	30.0
Debt($M)	500.1	% to Tot.Cap.	17.0	% Potential Dil.	None

1 VISUAL ANALYSIS of Sales, Earnings and Price

ACS

FY 2004 Q1 (Ended 9/30/2003)
RECENT QUARTERLY FIGURES

	SALES ($M)	EARNINGS PER SHARE ($)
Latest Quarter	1,036.6	0.62
Year Ago Quarter	882.6	0.50
Percentage Change	17.4%	23.4%

See Chapters 8, 9, and 10 of the NAIC Official Guide for complete instructions.
Use this Guide as working section of NAIC Stock Selection Guide & Report.

8,278.1

490.9

4.86

3,787.2

2.20
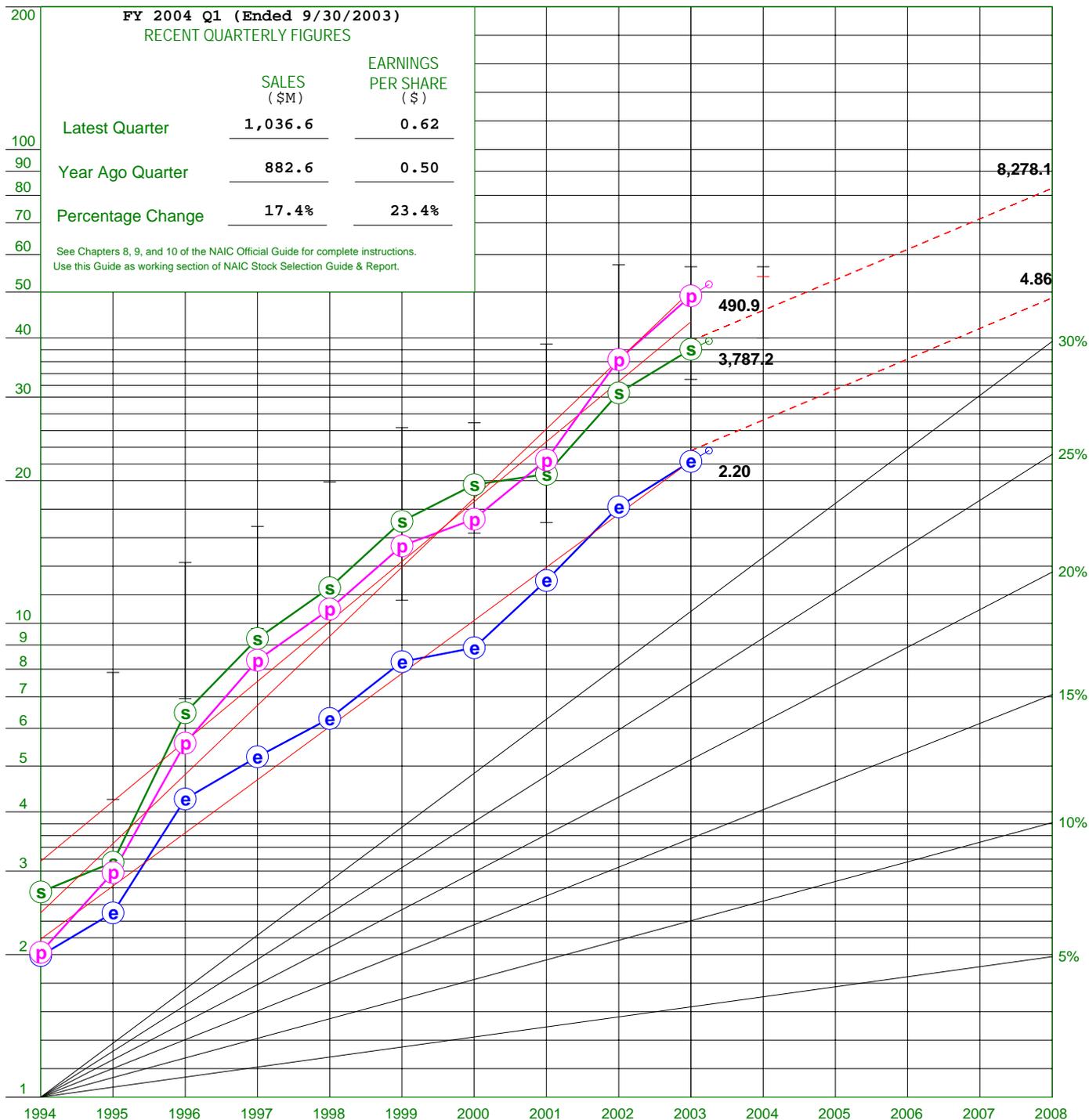
(1) Historical Sales Growth	**33.8** %	(3) Historical Earnings Per Share Growth	**29.5** %
(2) Estimated Future Sales Growth	**16.0** %	(4) Estimated Future Earnings Per Share Growth	**16.0** %

Printed: 12/26/03 10:21 AM Prepared by: MG Using The NAIC Investor's Toolkit

2 EVALUATING MANAGEMENT

Company **AFFILIATED COMPUTER SVCS.   (ACS)**   12/22/03

		1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	LAST 5 YEAR AVG.	TREND UP	TREND DOWN
A	% Pre-tax Profit on Sales (Net Before Taxes ÷ Sales)	7.5	9.5	8.6	9.0	9.0	8.9	8.5	10.7	11.8	13.0	10.6	UP	
B	% Earned on Equity (E/S ÷ Book Value)	18.8	15.9	10.8	11.3	11.9	13.3	12.3	13.9	10.0	12.0	12.3		EVEN

3 PRICE-EARNINGS HISTORY as an indicator of the future

This shows how stock prices have fluctuated with earnings and dividends. It is a building block for translating earnings into future stock prices.

PRESENT PRICE **53.870**   HIGH THIS YEAR **56.560**   LOW THIS YEAR **40.010**

Year	A PRICE HIGH	B PRICE LOW	C Earnings Per Share	D Price Earnings Ratio HIGH A÷C	E Price Earnings Ratio LOW B÷C	F Dividend Per Share	G % Payout F÷C X 100	H % High Yield F÷B X 100
1 1999	25.9	11.2	0.83	31.2	13.5	0.000	0.0	0.0
2 2000	26.5	15.5	0.89	29.8	17.5	0.000	0.0	0.0
3 2001	38.8	16.3	1.23	~~31.5~~	~~13.2~~	0.000	0.0	0.0
4 2002	57.1	35.1	1.76	~~32.4~~	~~19.9~~	0.000	0.0	0.0
5 2003	56.6	32.7	2.20	25.8	14.9	0.000	0.0	0.0
6 TOTAL		110.8		86.8	45.9		0.0	
7 AVERAGE		22.2		28.9	15.3		0.0	

8 AVERAGE PRICE EARNINGS RATIO	22.1	9 CURRENT PRICE EARNINGS RATIO	23.3

4 EVALUATING RISK and REWARD over the next 5 years

Proj. P/E [20.10] Based on Next 4 qtr. EPS [2.68]   Current P/E Based on Last 4 qtr. EPS [2.31]

Assuming one recession and one business boom every 5 years, calculations are made of how high and how low the stock might sell. The upside-downside ratio is the key to evaluating risk and reward.

A HIGH PRICE -- NEXT 5 YEARS

Avg. High P/E **28.9** (3D7 as adj.) X Estimate High Earnings/Share **4.86** = Forecast High Price $ **140.5** (4A1)

B LOW PRICE -- NEXT 5 YEARS

(a) Avg. Low P/E **15.3** (3E7 as adj.) X Estimated Low Earnings/Share **2.20** = $ **33.7**

(b) Avg. Low Price of Last 5 Years = **22.2** (3B7)

(c) Recent Severe Market Low Price = **32.7**

(d) Price Dividend Will Support   Present Divd. / High Yield (H) = **0.000 / 0.000** = **0.0**

Selected Estimate Low Price   = $ **31.9** (4B1)

C ZONING

140.5 (4A1) High Forecast Price Minus **31.9** (4B1) Low Forecast Price Equals **108.6** (C) Range. 1/3 of Range = **27.1** (4CD)

(4C2) Lower 1/3 = (4B1) **31.9** to **59.0** (Buy)   Note: Ranges changed to 25%/50%/25%

(4C3) Middle 1/3 = **59.0** to **113.4** (Maybe)

(4C4) Upper 1/3 = **113.4** to **140.5** (4A1) (Sell)

Present Market Price of **53.870** is in the **Buy** (4C5) Range

D UP-SIDE DOWN-SIDE RATIO (Potential Gain vs. Risk of Loss)

High Price (4A1) **140.5** Minus Present Price **53.870**

Present Price **53.870** Minus Low Price (4B1) **31.9**

= **86.6 / 22.0** = **3.9** (4D) To 1

E PRICE TARGET (Note: This shows the potential market price appreciation over the next five years in simple interest terms.)

High Price (4A1) **140.5**

Present Market Price **53.870**

= (**2.608**) X 100 = (**260.8**) - 100 = **160.8** (4E) % Appreciation

Relative Value: 105.4% Proj. Relative Value: 91.0%

5 5-YEAR POTENTIAL

This combines price appreciation with dividend yield to get an estimate of total return. It provides a standard for comparing income and growth stocks.

Note: Results are expressed as a simple rate; use the table below to convert to a compound rate.

A Present Full Year's Dividend $ **0.000**

Present Price of Stock $ **53.870** = **0.000** X 100 = **0.0** (5A) Present Yield or % Returned on Purchase Price

B AVERAGE YIELD OVER NEXT 5 YEARS

Avg. Earnings Per Share Next 5 Years **3.61** X Avg. % Payout (3G7) **0.0** = **0.0** = **0.0** % (5B)

Present Price $ **53.870**

C ESTIMATED AVERAGE ANNUAL RETURN OVER NEXT FIVE YEARS

5 Year Appreciation Potential (4E) **160.8** / 5 = **32.2** %

Average Yield (5B) = **0.0** %

Average Total Annual Return Over the Next 5 Years (5C) = **32.2** %

	P.A.R.	Tot. Ret.
Average Yield	0.0%	0.0%
Annual Appreciation	14.8%	21.1%
% Compd Ann Rate of Ret	14.8%	21.1%